



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/783,638	02/20/2004	John Paul Conn	89176.0002	7344
26/021 7590 02/02/2010 HOGAN & HARTSON L.L.P. 1999 AVENUE OF THE STARS SUITE 1400 LOS ANGELES, CA 90067				
EXAMINER MOELINA, ANITA C				
ART UNIT 3626		PAPER NUMBER		
NOTIFICATION DATE 02/02/2010		DELIVERY MODE ELECTRONIC		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

ctkeyner@hhlaw.com
LAUSPTO@hhlaw.com
lbrivero@hhlaw.com

Office Action Summary

Application No.

10/783,638

Applicant(s)

CONN ET AL.

Examiner

ANITA MOLINA

Art Unit

3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 11 January 2010.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-8, 10-15, 17-24, 26, 28-42, 44-48, 50-55 and 57 is/are pending in the application.

4a) Of the above claim(s) 18-24 and 51-55 is/are withdrawn from consideration.

- 5) ☐ Claim(s) _____ is/are allowed.

- 6) ☒ Claim(s) 1-8, 10-15, 17, 26, 28-42, 44-48, 50 and 57 is/are rejected.

- 7) ☐ Claim(s) _____ is/are objected to.

- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-940)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 01/11/2010 has been entered.

Notice to Applicant

The following is a non-final action on the merits. The following occurred in the amendment filed 01/11/2010: Claims 1-8, 10-15, 17-24, 26, 28-42, 44-48, 50-55, and 57 are pending, claims 1, 6, 10, 14, 26, 29, 32, 35-37, 41, 44, and 47 are amended. Claims 9, 16, 18-25, 27, 43, 49, and 51-56 are cancelled.

Response to Amendment

1. The amendments to claims 10, 18, 44, and 51 have overcome some of the previous USC 112 rejections but have not overcome the USC 101 rejections.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 10 and 44 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
4. Claims 10 and 44 recite the limitation "A loss mitigation tool" in the preamble. It is unclear which statutory class the claimed invention belongs to and what the metes and bounds of the claims are intended to be. As written, the Examiner interprets the first element to be an insurance policy, which is classified as non-functional descriptive material and is not patentable subject matter (see 101 rejection below). The "wherein" elements appear to be further requirements of the agreement. The "electronic backup copy" element of the claim appears to be either another requirement of the agreement or a product of manufacture.

Claim Rejections - 35 USC § 101

5. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.
6. Claims 10-15, 17 and 44-48, and 50 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention appears to be directed to an insurance policy *per se* and does not contain any process, machine, manufacture or composition of matter that brings about its function. The invention, therefore, does not define any structural or functional interrelationships between the nonfunctional descriptive material and other claimed elements which

permit the descriptive material's functionality to be realized. (see MPEP 2106.01) It is noted that the electronic backup copy does not embody the entire claimed "loss mitigation tool" or bring about its function. In other words, the "electronic backup copy" is only part of the claim's scope and does not bring about the function of the claimed agreement.

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 1-8, 10-15, 17, 26, 28-31, 37-42, 44-48, and 50 are rejected under 35 U.S.C. 102(b) as being anticipated by US 2002/0095317.

As per claim 1, McCabe teaches a **method comprising:**

-storing, by a first processing device, data of a third entity on a storage medium of the third entity (see: at least paragraphs 25 and 99);

-creating an agreement between a first entity and a second entity to provide data protection service to a third entity, wherein the first entity purchases data protection service from the second entity for data stored on a storage medium of the third entity (see: abstract and paragraphs 24 and 99); and

-creating an insurance agreement between the first entity and the third entity, because data of the third entity was stored on a storage medium of the

third entity, that provides that the first entity will insure the third entity for losses arising out of lost data, and that authorizes the third entity to use the data protection service provided by the second entity, wherein the third entity does not pay a premium to the first entity, beyond what the first entity would charge for providing insurance without the data protection services; and (see: abstract and paragraphs 24, 106, and 118)

-storing, by a second processing device, an electronic backup copy of the third entity's data, as required by the data protection service agreement, on a storage medium of the second entity such that the electronic backup copy of the third entity's data stored on the storage medium of the second entity is insured against loss according to the insurance agreement (see: at least paragraphs 91, 98, and 99).

As per claim 2, McCabe teaches the claimed method, wherein the insurance agreement requires the third entity to use the data protection service provided by the second entity (see: paragraphs 24 and 25).

As per claim 3, McCabe teaches the claimed method, wherein the first entity's insurance of the third entity against losses arising of data loss is at least partially contingent upon the third entity's using predetermined services provided by the second entity (see: paragraph 25).

As per claim 4, McCabe teaches the claimed method, wherein the predetermined services are specified in the insurance agreement (see: paragraph 25).

As per claim 5, McCabe teaches the claimed method, **wherein the identity of the second entity is specified in the insurance agreement** (see: paragraph 25). It is noted that in order to have a contract, the parties must be specified.

As per claim 6, McCabe teaches the claimed method, **wherein the data protection service is a data backup service, and further comprising:**

-wherein the electronic backup copy of the third entity's data is stored while at a location controlled by the second entity (see: paragraph 121); and

-generating, after a loss of the third entity's data, a further copy of the third entity's data from the backup copy (see: paragraph 121).

As per claim 7, McCabe teaches the claimed method, **wherein the data backup service is an online data backup service** (see: paragraph 87).

As per claim 8, McCabe teaches the claimed method, **further comprising providing compensation from the first entity to the second entity in return for the second entity's provision of data protection services to the third entity** (see: abstract and paragraph 107). It is noted that an insurer pays for a loss, therefore, the insurer would pay for the restoration services provided by the technical protection services.

As per claim 10, McCabe teaches **a loss mitigation tool for an insurer, wherein the insurer purchases data protection service from a second entity for use by the insured entity, the loss mitigation tool comprising:**

-an insurance agreement between the insurer and the insured entity created because the insured entity stored data to a storage medium of the

insured entity, wherein the insurance agreement provides insurance to the insured entity for losses arising out of lost data **from an electronic backup copy of the insured entity's data created and controlled by the data protection service**, and includes a data protection provision under which the insured entity is allowed to use the data protection service (see: abstract and paragraphs 24, 98, and 99)

-wherein the insurer compensates the second entity for providing the data protection service to the insured entity (see: abstract and paragraph 107. It is noted that an insurer pays for a loss, therefore, the insurer would pay for the restoration services provided by the technical protection services.), and

-wherein the insured entity does not pay compensation for the provision of the data protection service beyond what the insurer would charge for insuring the insured entity against losses arising out of lost data without data protection services (see: abstract and paragraphs 24, 106, and 118), and

-an electronic backup copy of the insured entity's data created, **as required by the insurance agreement**, by the data protection service on a storage medium of the second entity **such that the electronic backup copy is insured against loss according to the insurance agreement** (see: at least paragraphs 91, 98, and 99).

As per claims 11-15, they are rejected for the same reasons set forth for claims 2-3, and 5-7.

As per claim 17, McCabe teaches the claimed loss mitigation tool, **wherein the insurance agreement includes a condition that the insured entity is responsible**

for using the data protection service if the insured entity is to recover under the insurance agreement, and wherein the insurance is not provided if the condition is not satisfied (see: paragraph 25).

As per claim 26, McCabe teaches a method comprising:

-storing, by a first processing device, data of an insured on a storage medium of the insured (see: at least paragraphs 25 and 99);

-creating an insurance agreement between an insurer and the insured, because the data of the insured was stored on the storage medium of the insured, wherein the insurance agreement provides that the insurer will insure the insured for losses arising out of lost data from an electronic backup copy of the insured's data stored on a storage medium of a data protection service provider, and wherein the insurance agreement requires the insured to use a data protection service provided by the data protection service provider (see: abstract, paragraphs 24, 25, 91, 98 and 99); and

-creating a data protection service agreement between the insured and the data protection service provider, wherein the data protection service agreement provides that the data protection service provider will provide a data protection service to the insured (see: abstract and paragraphs 24 and 25);

-storing, by a second processing device, an electronic backup copy of the insured's data by the data protection service provider, as required by the agreements, on a storage medium of the data protection service provider such

that the electronic backup copy is insured against loss according to the agreements (see: at least paragraphs 91, 98, and 99);

-wherein the insurance agreement provides that the insurer will charge the insured a reduced premium for the insurance, contingent upon the insured's using the data protection service (see: abstract and paragraphs 24, 106, and 118).

As per claim 28, it is rejected for the same reasons set forth for claims 4 and 5.

As per claims 29-31, they are rejected for the same reasons set forth for claims 6, 7, and 3, respectively.

As per claim 37, McCabe teaches a method comprising:

-storing, by a first processing device, data of a data owner on a storage medium of the data owner (see: at least paragraphs 25 and 99);

-creating an agreement between a provider and the data owner wherein the agreement includes:

--a data protection provision under which the provider agrees to provide a data protection service to the data owner (see: abstract and paragraph 24); and

--an insurance provision under which the provider agrees to insure the data owner for losses arising out of data loss to an electronic backup copy of the data owner's data created and controlled by the data protection service (see: abstract and paragraphs 24, 98, and 99)

-storing, by a second processing device, an electronic backup copy of the data owner's data by the data protection service, as required by the agreement, on a storage medium of the data protection service such that the electronic

backup copy is insured against loss according to the agreement (see: at least paragraphs 91, 98, and 99);

-wherein the data owner does not pay a premium to the provider, beyond what the provider would charge for providing insurance without the provision of the data protection services (see: abstract paragraphs 24, 106, and 118).

As per claims 38-42, they are rejected for the same reasons set forth for claims 2-4 and 6-7.

As per claim 44, a loss mitigation tool for an insurer that insures an insured entity, wherein the insurer provides a data protection service for use by the insured entity, the loss mitigation tool comprising:

-an insurance agreement between the insurer and the insured entity, wherein the insurance agreement provides insurance to the insured entity for losses arising out of lost data **from an electronic backup copy of the insured entity's data created and controlled by the data protection service**, and wherein the insurance agreement includes a data protection provision under which the insured entity is allowed to use the data protection service (see: abstract and paragraphs 24, 98, and 99); and

-an electronic backup copy of the insured entity's data created by the data protection service, **as required by the insurance agreement**, on a storage medium of the data protection service **such that the electronic backup copy is insured against loss** according to the **insurance** agreement (see: at least paragraphs 91, 98, and 99)

-wherein the insured entity does not pay for the provision of the data protection service beyond what the insurer would ordinarily charge for insuring the insured entity against losses arising out of lost data without the data protection service (see: abstract and paragraphs 24, 106, and 118).

As per claims 45-48 and 50, they are rejected for the same reasons set forth for claims 2-3, 6-7, and 2, respectively.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 32-36 are rejected under 35 U.S.C. 103(a) as being unpatentable over US 2002/0095317 to McCabe in view of PR Newswire.

As per claim 32, McCabe teaches a method comprising:

-storing, by a first processing device, data of an insured on a storage medium of the insured (see: at least paragraphs 25 and 99);

-creating an insurance agreement between an insurer and the insured, because the data of the insured was stored on the storage medium of the insured, wherein the insurance agreement provides that the insurer will insure the insured for losses arising out of lost data from an electronic backup copy of the insured's data stored on a storage medium of a data protection service provider, and

wherein the insurance agreement requires the insured to use a data protection service provided by the data protection service provider (see: abstract and paragraphs 24-25);

-creating a data protection service agreement between the insured and a data protection service provider, wherein the data protection service agreement provides that the data protection service provider will provide a data protection service to the insured (see: paragraphs 24-25)

-storing, by a second processing device, an electronic backup copy of the insured's data by the data protection service provider, as required by the insurance agreement, on a storage medium of the data protection service provider such that the electronic backup copy is insured against loss according to the agreement (see: at least paragraph 91).

McCabe fails to specifically teach **creating an agreement between the insurer and the data protection service provider that provides: compensation from the data protection service provider to the insurer for the insurer's requirement that the insured use the data protection service.** McCabe does teach requiring the services of a data protection service provider (see: paragraphs 24 and 25). PR Newswire teaches a company paying a monthly fee in order to be the exclusive service provider in a neighborhood (see: abstract). It would have been obvious to one of ordinary skill in the art to include in the required data protection services of McCabe, the fee to be an exclusive service provider as taught by PR Newswire because the claimed invention is merely a combination of old elements, and in the combination, each

element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claims 33-36, they are rejected for the same reasons set forth for claims 2-3, and 6-7.

5. Claim 57 is rejected under 35 U.S.C. 103(a) as being unpatentable over US 2002/0095317 to McCabe in view of PR Newswire and in view of Examiner's Official Notice.

*As per claim 57, McCabe fails to specifically teach the claimed method, **wherein the data protection service agreement requires a discount in the amount normally charged by the data protection service provider for providing the data protection service.*** The Examiner Officially notes that it is old and well known to provide discounted prices in exchange for an exclusive contract. For example, in a managed health care environment, a primary physician provides insured members with discounted prices in exchange for choosing that doctor as their exclusive primary care physician. It would have been obvious to one of ordinary skill in the art to include in the data protection insurance of McCabe, the commonly used discounted services for an exclusive contract because the claimed invention is merely a combination of old elements, and in the combination, each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Response to Arguments

6. Applicant's arguments filed 04/23/2009 have been fully considered but they are not persuasive.

In response to Applicant's arguments that "an electronic backup copy of the insured entity's data..." cannot be classified as merely non-functional descriptive material, the Examiner respectfully disagrees. "When nonfunctional descriptive material is recorded on some computer-readable medium, in a computer or on an electromagnetic carrier signal, it is not statutory and should be rejected under 35 U.S.C. 101." (see: MPEP 2106.01) A copy of data is nonfunctional descriptive material because it lacks a new and unobvious functional relationship between the data and the substrate (electronic backup copy).

In response to Applicant's argument that McCabe fails to teach backup copies held by a data protection service provider, the Examiner respectfully disagrees. In paragraph 99, McCabe state, "The discussion above focused on environments in which insured organizations or individuals 304 do not have the internal infrastructure to provide their own remote protection or backup facilities." McCabe provides for the data to be backed up by the data protection services or by the insured organization or individual.

7. In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon

hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971). Both McCabe and PR Newswire concern requirements concerning contracted services.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ANITA MOLINA whose telephone number is (571)270-3614. The examiner can normally be reached on Monday through Friday 8am to 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jerry O'Connor can be reached on 571-272-6787. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/A. M./
Examiner, Art Unit 3626
01/25/2010

/C. Luke Gilligan/
Primary Examiner, Art Unit 3626